

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02493A
Forest Highlands Water Company
657 Forest Highlands
Flagstaff, AZ 86001

RECEIVED

JUN 12 2006

**AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

ANNUAL REPORT

FOR YEAR ENDING

12	31	2005
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FOR COMMISSION USE

ANN04	05
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Entered
6-12-06
RF

Scanned
6-12-06
RF

COMPANY INFORMATION

Company Name (Business Name) <u>Forest Highlands Water Co.</u>		
Mailing Address <u>657 Forest Highlands</u>		
<u>Flagstaff</u> (City)	<u>Az</u> (State)	<u>86001</u> (Zip)
<u>928 525 9014</u> Telephone No. (Include Area Code)	<u>928 525 1369</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>Same As Above</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Patricia</u> <u>Ashbrook</u> <u>CFO</u>		
 (Name)	 (Title)	
<u>Same As Above</u> (Street)	 (City)	 (State) (Zip)
<u>Same As Above</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address <u>parashbrook@fhgc.com</u>		
On Site Manager: <u>Bill Strauss</u>		
 (Name)		
<u>658</u> (Street)	<u>Forest Highlands</u> (City)	<u>Flagstaff</u> <u>Az</u> <u>86001</u> (State) (Zip)
<u>928 525 5264</u> Telephone No. (Include Area Code)	<u>928 525 5254</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address <u>bstrauss@fhgc.com</u>		

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>Donald Dykeman</u>			
(Name)			
<u>2901 N. Central Ave</u>	<u>Suite 200</u>	<u>Phoenix</u>	<u>Az 85012</u>
(Street)	(City)	(State)	(Zip)
<u>602 285 5000</u>	<u>602 285 5100</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>Same As Above</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Forest Highlands Water Co

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	104284	41713	62571
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	202124	176564	25560
307	Wells and Springs	1480837	461358	1019479
311	Pumping Equipment	1259074	755740	503334
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	191268	67212	124056
331	Transmission and Distribution Mains	1680211	581209	1130902
333	Services	175200	94685	80015
334	Meters and Meter Installations	56000	44305	11695
335	Hydrants	226995	74759	151236
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	7385	6353	1032
340	Office Furniture and Equipment	29536	26369	3167
341	Transportation Equipment	205160	170458	34702
343	Tools, Shop and Garage Equipment	5913	4115	1798
344	Laboratory Equipment	1811	1514	297
345	Power Operated Equipment	27500	27500	0
346	Communication Equipment	15584	15057	527
347	Miscellaneous Equipment	454	454	0
348	Other Tangible Plant			
	TOTALS	5669336	2519365	3149971

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Forest Highlands water Co

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	104284	6.67	2607
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	202124	19.78	19188
307	Wells and Springs	1480837	8.62	41460
311	Pumping Equipment	1299074	.41	5698
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	191268	1.21	805
331	Transmission and Distribution Mains	1680211	1.69	9161
333	Services	175200	8.18	7161
334	Meters and Meter Installations	56000	3.2	1859
335	Hydrants	226795	9.78	6661
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	7385	23.34	1202
340	Office Furniture and Equipment	29536	.03	7
341	Transportation Equipment	205160	1.58	3013
343	Tools, Shop and Garage Equipment	5913	2.04	107
344	Laboratory Equipment	1811	8.53	119
345	Power Operated Equipment	27500	0	0
346	Communication Equipment	15584	2.4	353
347	Miscellaneous Equipment	454	0	0
348	Other Tangible Plant			
	TOTALS			99401

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME Forest Highlands Water Co.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 140 062	\$ 88 031
134	Working Funds		
135	Temporary Cash Investments	9 096	
141	Customer Accounts Receivable	173 222	349 472
146	Notes/Receivables from Associated Companies	606	1362
151	Plant Material and Supplies		
162	Prepayments	9 015	8873
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 332 003	\$ 447 740
	FIXED ASSETS		
101	Utility Plant in Service	\$ 706 800 6	\$ 674 1474
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	310 8989	251 9365
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 395 3017	\$ 422 2108
	TOTAL ASSETS	\$ 431 5221	\$ 466 9848

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME Forest Highlands Water Co

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 7408	\$ 6731
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	358247	582089
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	22525	30817
	TOTAL CURRENT LIABILITIES	\$ 388182	\$ 619638
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	3561638	3540391
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 3561638	\$ 3540391
	TOTAL LIABILITIES	\$ 3949820	\$ 4160029
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 4861824	\$ 4861824
211	Paid in Capital in Excess of Par Value	676563	676564
215	Retained Earnings	(5032240)	(5028569)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 506147	\$ 509818
	TOTAL LIABILITIES AND CAPITAL	\$ 4455968	\$ 4669848

COMPANY NAME Forest Highlands Water Co.**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 355 894	\$ 377 272
460	Unmetered Water Revenue		
474	Other Water Revenues	8551	106 76
	TOTAL REVENUES	\$ 364 845	\$ 387 948
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 169 639	\$ 177 315
610	Purchased Water	5640	
615	Purchased Power	53105	40869
618	Chemicals	230	719
620	Repairs and Maintenance	5820	58149
621	Office Supplies and Expense	6020	7732
630	Outside Services	67 256	56 918
635	Water Testing	2597	6094
641	Rents	11 784	11784
650	Transportation Expenses	9927	17015
657	Insurance - General Liability	17163	169 30
659	Insurance - Health and Life	41045	43422
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	28 721	20005
403	Depreciation Expense	63717	95401
408	Taxes Other Than Income	102	891
408.11	Property Taxes	15071	14762
409	Income Tax	50	
	TOTAL OPERATING EXPENSES	\$ 49 8007	\$ 586052
	OPERATING INCOME/(LOSS)	\$ (133 162)	\$ (177 784)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ (7585)	\$ 129
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ (7585)	\$ 129
	NET INCOME/(LOSS)	\$ (140 747)	\$ (197 974)

COMPANY NAME	<i>Forest Highlands Water Co.</i>
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SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$
--	----

Meter Deposits Refunded During the Test Year	\$
--	----

COMPANY NAME Forest Highlands Lakes Co.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55514733	40	80	1195	12	4	86
55515547	40	80	1405	12	4	86
555517583	75	120	1250	12	4	87
5558893	30	65	1380	10	4	02

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	5	198	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
500,000	1	N/A	

COMPANY NAME Forest Highlands Water Co.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	C-900	130
3	C-900	2640
4		
5		
6	C-900	17383
8	C-900	59292
10	C-900	25154
12	C-900	3162

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	667
1	4
1 1/2	2
2	7
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

Booster Station with 500,000 gal tanks
5-10 hp Booster pumps
Diesel fire pump
3 well houses
Booster Station Building

OTHER:

COMPANY NAME: Forest Highlands Water Co.**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	676	0	
FEBRUARY	676	9785067	
MARCH	676	864150	
APRIL	676	915339	
MAY	679	1527389	
JUNE	681	30551676	
JULY	684	29735700	
AUGUST	685	16507846	
SEPTEMBER	685	15846349	
OCTOBER	689	22354725	
NOVEMBER	689	3222041	
DECEMBER	691	3328112	
TOTAL		134640394	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. See below mg/l
(If more than one well, please list each separately.)**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

well 1 < 0.002 mg/L
 3 < 0.002 mg/L
 41 < 0.002 mg/L
 5b < 0.002 mg/L

COMPANY NAME Forest Highlands Water Co. YEAR ENDING 12/31/2005

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 14762

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

JUN 12 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Cocconino</u>	
NAME (OWNER OR OFFICIAL) TITLE <u>Larry Appleby</u>	<u>General Manager</u>
COMPANY NAME <u>Forest Highlands Water Co.</u>	

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING


MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



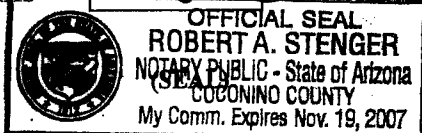
SIGNATURE OF OWNER OR OFFICIAL
928 525 5280

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME


A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15 DAY OF



MY COMMISSION EXPIRES 11-19-07

COUNTY NAME <u>Cocconino</u>	
MONTH <u>April</u>	<u>2006</u>



SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Forest Highlands Water Co. YEAR ENDING 12/31/2005INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE4/5/2006
DATELarry Appleby
PRINTED NAMECOO/GM
TITLE

RECEIVED

JUN 12 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only****VERIFICATION**STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Coconino
NAME (OWNER OR OFFICIAL) TITLE	Larry Appleby General Manager
COMPANY NAME	Forest Highlands Water Co.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 388,078.15

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 28,566.01
IN SALES TAXES BILLED, OR COLLECTED)

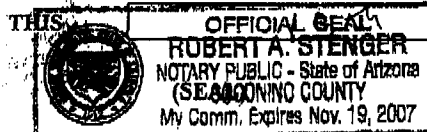
****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF

COUNTY NAME	Coconino
MONTH	April 20 06

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 11-19-07

RECEIVED

JUN 12 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Coconino	
NAME (OWNER OR OFFICIAL) Larry Appleby	TITLE Controller
COMPANY NAME Forest Highlands Water Co.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

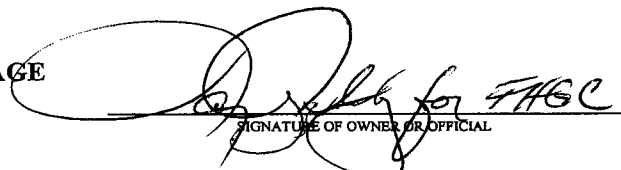
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 300,185

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 24,818
IN SALES TAXES BILLED, OR COLLECTED)

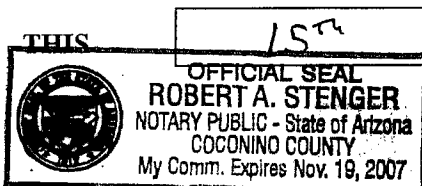
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

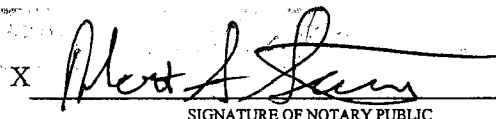
A NOTARY PUBLIC IN AND FOR THE COUNTY OF



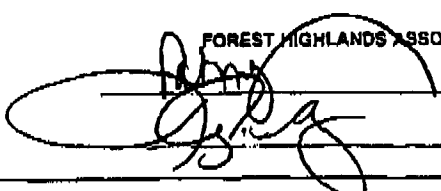
DAY OF

NOTARY PUBLIC NAME Robert A. Stenger	
COUNTY NAME Coconino	
MONTH April	2006

MY COMMISSION EXPIRES 11-19-07

X 
SIGNATURE OF NOTARY PUBLIC

6/9/2006 3:34:41 PM

Forest Highlands Forest Highlands Association 657 Forest Highlands Flagstaff, AZ 86001-8434 (928) 525-9014	<i>Bot: 45198506</i> <i>58 per cent</i>	BANK ONE Bank One Arizona, NA Flagstaff Office (041) Flagstaff, Arizona	81-2 1221
	CHECK NO.: 046072 CHECK DATE: 10/25/05	PAY *TWENTY NINE THOUSAND THREE HUNDRED FIFTY EIGHT DOLLARS AND 51 CENTS *****29,358.51*	
TO THE ORDER OF Bonny Lynn Coconino County Treasurer 110 E. Cherry Flagstaff AZ 86001	FOREST HIGHLANDS ASSOCIATION 		
MICR LINE: ⑈046072⑈ ⑆122100024⑆ 0945⑈6717⑈ ⑈0002935851⑈ <small>WARNING: Do not deposit this document unless you are sure it is a true and correct copy to you.</small>			


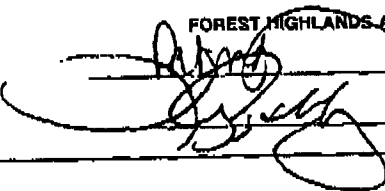
11012005 111901331 5340192702	WEB MA TEMPE10312205 4709 05030768237 4 >1221-0327-8< 209541 13 ESJ 62	DEPOSIT TO COCONINO COUNTY TREASURER 10 28 05 122103702
--	---	--

Location	Acct #	Check #	Amount	Issue Date	Paid Date	Sequence
CD	9456717	46072	\$29,358.51		11/1/2005	5340192702
Customer Data	Bank #	GL Category	CD Valid/CIMS Key			
	601	000000000000	20051130079101			

7 381.34

belongs to H₂O

6/9/2006 3:30:02 PM

Forest Highlands 	Forest Highlands Association 657 Forest Highlands Flagstaff, AZ 86001-8434 (928) 525-9014	BANK ONE 5176935 91-2 1221 <small>Bank One, Arizona, NA Flagstaff Office (041) Flagstaff, Arizona</small>
	CHECK NO.: 044136 CHECK DATE: 04/25/05	
PAY *TWENTY FIVE THOUSAND TWO HUNDRED FORTY FIVE DOLLARS AND 68 CENTS DOLLARS *****25,245.68*		
TO THE ORDER OF Bonny Kraska Coconino County Treasurer 110 E. Cherry Flagstaff AZ 86001	FOREST HIGHLANDS ASSOCIATION 	
044136 *122100024* 0945*6717* *0002524568* <small>WARNING: Do not accept this document unless you can see a full watermark from all sides in view</small>		

BANK ONE, NA BEDFORD, TEXAS 05022005 5640713968	UFB NA TEMPE04222005 4289 04230244664 4 >1221-6527-8< 19485: 13 ESU 64	PAY TO THE ORDER OF 122100024 042802 05022005 042802
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Location	Acct #	Check #	Amount	Issue Date	Paid Date	Sequence
CD	9456717	44136	\$25,245.68		5/2/2005	5640713968
Customer Data	Bank #	GL Category	CD Valid/CIMS Key			
	601	000000000000	20050531418601			

7535.49 Belongs to
H₂O



657 Forest Highlands
Flagstaff, AZ 86001
Phone (928)525-9014
Fax (928)525-1369

facsimile transmittal

To: Rence de la Fuente Fax: 602 542 2129
From: Bob Stenger Date: 6.10.06
Re: Annual Report Pages: 20 (Including Cover Sheet)
CC: _____

If you have any questions please give me a call
Sorry for all the confusion.
Thanks for your patience



Robert A. Stenger
Club Operations/
Design Review

Forest Highlands Golf Club
657 Forest Highlands
Flagstaff, AZ 86001
928-525-5200 ext. 119
cell 928-607-6484
fax 928-525-1369
r.stenger@fhgc.com